

Meeting of 2002-12-10- Regular Meeting

MINUTES

LAWTON CITY COUNCIL REGULAR MEETING
DECEMBER 10, 2002 - 6:00 P.M.
WAYNE GILLEY CITY HALL COUNCIL CHAMBER

Mayor Cecil E. Powell, Also Present:
Presiding Bill Baker, City Manager
 John Vincent, City Attorney
 Brenda Smith, City Clerk
 Col. Puckett, Fort Sill Liaison

The meeting was called to order at 6:30 p.m. by Mayor Powell. Notice of meeting and agenda were posted on the City Hall notice board as required by law.

ROLL CALL

PRESENT: Randy Bass, Ward One
 James Hanna, Ward Two
 Glenn Devine, Ward Three
 Amy Ewing-Holmstrom, Ward Four
 Robert Shanklin, Ward Five
 Barbara Moeller, Ward Six
 Stanley Haywood, Ward Seven
 Michael Baxter, Ward Eight

ABSENT: None.

AUDIENCE PARTICIPATION: None.

CONSENT AGENDA : Moeller requested separate consideration of Item 14.

MOVED by Baxter, SECOND by Bass, to approve the Consent Agenda as recommended with the exception of Item 14. AYE: Moeller, Haywood, Baxter, Bass, Hanna, Devine, Ewing-Holmstrom, Shanklin. NAY: None. MOTION CARRIED.

1. Consider the following damage claims recommended for denial: Margot Bibbs; Diana Washburn; and B. James and Frances Teed. Exhibits: Legal Opinions and Recommendations. Action: Denial of claims.
2. Consider the following damage claims recommended for approval and consider passage of any resolutions authorizing the City Attorney to file a friendly suit for any claims which are over \$400.00: Marjorie Franklin; Melinda and James Dalrymple; Al and Joyce Hall; and Kristine Lantgen. Exhibits: Legal Opinions and Recommendations. (two resolutions on file) Action: Approval of claims. Franklin - \$225.00; Dalrymple - \$2,796.64 by Resolution No. 02-215; Hall - \$2,954.65 by Resolution No. 02-216; Lantgen - \$55.91.
3. Consider approving a resolution authorizing the installation of traffic control devices at Tomlinson Junior High, Douglas Elementary, NW 74th west of Sprucewood Drive, NW 31st at Colonial, NE Arlington and NE Bell east of Larrance, SW 13th at Lee Boulevard and on NW Elm at 64th. Exhibits: Resolution No. 02-217. Action: Approval of Resolution.
4. Consider denying request for installation of traffic control devices on NW Homestead at Cache Road and at Euclid. Exhibits: None. Action: Denial of request.
5. Consider adopting a resolution expressing opposition to the actions of Southwestern Bell Telephone Company in filing a proposed E-911 Tariff with the Oklahoma Corporation Commission creating per-call charges for each 911 call placed from a cellular phone and authorizing the City Attorney to join in legal proceedings to protest and prevent approval of the proposed tariff. Exhibits: Resolution No. 02-218. Action: Approval of Resolution.
6. Consider approving contract documents and specifications for the sale of Solid Waste Collection Equipment and City Landfill Equipment, and authorizing staff to advertise for bids. Action: Approve item as stated.
7. Consider ratifying the action of the City Manager in paying the Commissioners of the Land Office the

appraised value for parcels needed for the expansion of SE Flower Mound Road. Action: Ratify action in paying the Commissioners of the Land Office the appraised value (\$12,000.00) for parcels needed for the expansion of SE Flower Mound Road. It was necessary to agree to pay that amount to get the permanent easements approved at the Commission's December meeting. Temporary Easements were granted to facilitate the relocation of utilities for the project. The Permanent Easements will be granted and forwarded to the City of Lawton after payment of the appraised value.

8. Consider approving the construction plans for a sanitary sewerline located along the north side of Quanah Parker Trailway beginning at NW 82nd Street running 1,870 feet to the east. Exhibits: Map. Action: Approve the construction plans for a sanitary sewerline located along the north side of Quanah Parker Trailway from NW 82nd Street to Terrace Hills Addition subject to permitting by ODEQ.

9. Consider acknowledging receipt of a permit from the Oklahoma State Department of Health for the construction of a water sprayground located at George M. Lee Park (Ranch Oak Park Improvement Project #2000-14) in the City of Lawton, Comanche County, Oklahoma. Action: Acknowledge receipt of Permit #16020080 from OSDH as shown in the title.

10. Consider accepting and approving the contributions of Leora L. Brown. Action: Accept donation of ceramic supplies with an estimated value of \$500.00.

11. Consider approving the following contract extensions: A) Electric Motor Repair with J & W Electric Motor Co.; B) Glass Beads with Swarco-Reflex, Inc.; C) Manhole Rings and Covers with Neenah Foundry Co.; D) Dewatering Polymer with Polydyne, Inc.; E) Precast Concrete Manholes with Nance Precast Concrete; F) Police Duty Gear with Skaggs Public Safety; G) Symbols and Roll Goods with 3M Company, Vulcan, Inc., Rocal, Inc., Nippon Carbide Industries; H) Powdered Activated carbon with Southwest Chemical Services, Inc. Exhibits: None. Action: Approve renewal of contracts.

12. Consider approval of appointment to boards and commissions. Exhibits: Memorandum.

Lawton Arts & Humanities Council: Steven Kardaleff, Term: 12/17/02 to 6/30/04; Mark Norman, Term: 12/17/02 to 6/30/05.

13. Consider approval of payroll for the period of November 25 through December 8, 2002.

14. Consider approval of Minutes of Lawton City Council Meeting of November 26, 2002.

Moeller said on Page 148 of the Minutes, Item #25 which is the rolling stock, it gives the consideration and the motion; there was considerable discussion about it being automatically returning to rolling stock. There is nothing of the discussion nor the Council's concern about that. She asked that the minutes be amended to reflect the discussion and the Council's concerns. Mayor Powell said he had reviewed it as well and the motion Moeller made on that item was to adopt the resolution removing restrictions from the capital outlay for the remainder of the current fiscal year only. Moeller said there was some discussion, there were some direct questions and some direct answers given and she wanted some of that to be included in the written minutes. Smith asked if Moeller would like a verbatim transcript of that portion of the meeting and Moeller said that would be good.

MOVED by Moeller, SECOND by Hanna, to approve the minutes as amended. AYE: Haywood, Baxter, Bass, Hanna, Devine, Ewing-Holmstrom, Shanklin, Moeller. NAY: None. MOTION CARRIED.

UNFINISHED BUSINESS:

15. Consider the following damage claim recommended for denial: Tommy Sims. Exhibits: Claims Memorandum.

MOVED by Shanklin, SECOND by Devine, to table Item 15. AYE: Baxter, Bass, Hanna, Devine, Ewing-Holmstrom, Shanklin, Moeller, Haywood. NAY: None. MOTION CARRIED.

16. Consider an ordinance altering the corporate limits of the City of Lawton, Oklahoma, by de-annexing the west of Section 17, Township One North (T-1-N), Range Twelve West (R-12-W) and declaring an emergency. Exhibits: Ordinance No. 02-____.

MOVED by Devine, SECOND by Haywood, to table Item 16. AYE: Bass, Hanna, Devine, Ewing-Holmstrom, Shanklin, Moeller, Haywood, Baxter. NAY: None. MOTION CARRIED.

BUSINESS ITEMS: (Items were taken out of order due to the large audience.)

20. Consider adopting a resolution amending the Fee Schedule, Appendix A of the Lawton City Code, and establishing fees for Boathouse Spaces at Lake Lawtonka and Lake Ellsworth. Exhibits: Resolution No. 02-____.

Kim Shahan, Parks & Recreation Director, said during the budget workshops in May, a directive was given to all department directors to provide a review and recommendations for any programs, services and/or leases that have potential revenue that impacts the City general budget. This directive was given prior to the City's knowledge of this year's budget shortfall. This item affects the City general budget. The boathouse space rates were reviewed by the Lake & Land Commission during the November monthly meeting and they recommended an increase to the boathouse rates for 2003. The Lake & Land Commission's recommendation for increases are stated in the agenda commentary. The Revenue Services Division will submit annual invoices this month to the boathouse space renters at both lakes for their annual space payments for 2003. Based on the direction provided in May 2002, this item is to establish increased rates for boathouse space renters or to keep them at the same rates as in previous years.

Shahan said the key issue as stated on the agenda item is "What is the fair market value to be paid to the City of Lawton for a boathouse space at the two city lakes?" The Parks & Recreation staff recommendation is also stated on the agenda item as provided in the resolution. The basis for the recommendation is based on attempting to arrive at some form of equity for anyone leasing a lake front area to a house, a boat or who has the ability to tie a boat up to its property. The base price of \$600 annually is recommended based on the market value of a single boat slip which can be rented at School House Slough (from the concessionaire), and based on the size of the boathouse, the charge of \$5 per front foot after the first 15 feet. Shahan offered to answer questions, stated the Lake & Land Commission Chairman is present as are many boathouse owners.

Moeller asked if the "over 15 feet" referred to the boathouse itself but not the space. Shahan said no, it is the space.

Ewing-Holmstrom asked when these fees were last adjusted. Shahan said it was his understanding two years ago there was an adjustment to those rates, they might have been assessed last year, but there was a meeting two years ago that changed the rates. Devine asked if they could find out how much they were increased then. Shahan said yes, it was pretty much \$2; it went from \$10 to \$12 and then from \$6 to \$8. Bass said that was effective March 28, 2001, so it was last year.

Baxter asked for further clarification on Moeller's question about the boathouse width or space width. Shahan said the stiff arms on boathouses, the actual boathouse structure has stiff arms that come out onto the land and from those two points is the footage.

Moeller asked if there was a requirement for space between the boathouses to keep them from crashing into each other, and is anyone charged for that space.

Bobby Benoit, Lakes Supervisor, said boathouse requirements are listed in Chapter 19. The boathouse or boat dock unit, no space will be wider than 40 feet, no boathouse or dock unit can be wider than 30 feet and cannot extend out any farther than 70 feet from where the stiff arms are anchored on the shore line; that is what they are charged for. Benoit said they are charged based on the width of the shore line, and they range from 15 to 40 feet wide and no space can be wider than 40 feet, and that is the shore line. Moeller asked if they had five feet of space on each side and if they were charged for that footage. Benoit said they are not charged for the footage between the boathouses.

Ewing-Holmstrom asked if everyone pays a different fee and if it is because of the size of the boathouse. Shahan said yes. He said by using a single boat slip, based upon the market value of what people are willing to pay for boat slip at the lakes and taking that as the base rate and from there making a decision on whether to increase based on the size of the boathouse.

Ewing-Holmstrom said the cost comparison that was given to Council shows the current \$8 per foot so 30 feet is \$240 and 40 feet is \$320. Shahan said he did not know what that document was. Ewing-Holmstrom asked that Shahan be given a copy and said the paper shows it will be \$500 plus the footage. Shahan said it shows that the current rate at Lake Ellsworth is \$8 per front foot, and the staff proposal is that you would have a base rate at Lake Ellsworth of \$500 across the board, everybody would pay at least \$500, then at that point you determine everything over 15 feet is \$5 per foot additional. Ewing-Holmstrom asked if there is currently a set base rate and Shahan said no. Ewing-Holmstrom asked if people now pay \$500 plus. Shahan said yes, some pay \$128 at Lake Ellsworth up to \$600. Ewing-Holmstrom asked how you get from \$128 to \$600 plus; why does one boathouse, regardless of the size, his space is \$120 and another is \$400, how did we get that far off. Shahan said it was the way the prices were structured years ago but in terms of trying to find out what is the market value of a space, the only thing we had to gauge that on for anything out there is a single boat slip.

Ewing-Holmstrom said she could understand why Council had received so many calls and why the Council Chambers are full tonight because when you have a boathouse and you have been paying \$128 plus whatever and no one has said you are getting this space cheaper than someone paying \$600 but now we want to wipe all of that away and start with a number of \$500. She said it does not seem right.

Shahan said staff recommendation is based on the fact that they are occupying a front lake piece of property. Ewing-Holmstrom said she totally understood that, she drove out and spent a great deal of time and we do have prime locations on the lake that are gorgeous but this is bad timing, we are in a budget crunch and these people are asking if we are going to squeeze it out of them just because they have a boathouse, it just doesn't seem right. She said she was trying to figure out why one would pay \$128 and another would pay \$600 and who has been in charge of overseeing all of those fees. Mayor Powell said let's don't go there. Shahan said they had been set for years.

Bass said he had talked with Shahan about this a lot and Shahan was trying to compare a single boat slip with a boathouse slip and he did not know how you could compare that; Kent Waller charges \$600 for a boat slip and asked if that was where they got the 15 feet also. Shahan said that is correct. Bass said the boat slips are 15 feet wide so you deducted that from the width of the boat houses, right. Shahan said to try to find something to base putting a boat house or a single boat slip, that was the only item out there across the board something we could use; the issue is what is the market value of this.

Moeller said Robinson's Landing at Ellsworth is recommended to be the same price and it is not the same real estate. Shahan said one was \$500 and one was \$600. Baxter said Moeller is comparing Robinson's to Ellsworth. Moeller said Schoolhouse Slough is the better location, a focal point and it has everything around it; Robinson's Landing is a little more subdued and quiet; Ellsworth has nothing there but fishing - there is no skiing or boating or anything and you do not have the same clientele and comparing the three is like comparing Lloyd Addition with Grayson Mountain, it does not work. Devine said it is hard to launch a boat at Ellsworth when you are sitting on dry land.

Haywood asked if there was a height restriction on a boathouse. Shahan said there is no limitation on that.

Bass said Shahan thought every boathouse had a boat slip. Shahan said they all have a place for a boat, yes. Bass said not every boathouse does and Shahan did not understand that.

Bass suggested tabling this until a committee is formed, the Mayor forms the committee, whoever wants to be on it can be, and come up with a solution to put the right price on the right houses before we just say raise them all this and that; at Lake Ellsworth, all of the boats are setting on the land.

MOVED by Bass, to table it so you can put a committee together, anybody can be on the committee that wants to.

Hanna said he wanted to see people from the \$128 price to the \$600 price because it will involve all price ranges, have at least one member from each price range to represent each other at the lake.

Shanklin said the issue is "what is the fair market value", not how cheap you can get it. He said the City receives \$1,920 for a preferred camp site at Robinson's Landing and the City furnishes the water and electricity. He said a lady pays \$1,200 a year to Waller for her preferred camp site, and asked if a preferred camp site more valuable than a space in the water. Baxter said if a boat slip is just a place to park the boat and people are paying \$600 for that, the boathouse should be worth more than that.

Hanna seconded Bass' motion.

VOTE ON MOTION: AYE: Hanna, Devine, Ewing-Holmstrom, Shanklin, Moeller, Haywood, Baxter, Bass. NAY: None. MOTION CARRIED.

Mayor Powell said Buford Rooks and Bill Ramsey had turned in requests to speak.

Buford Rooks distributed and reviewed photographs showing various boathouses, many sitting on the bank. One photo shows ruts in the road that have been there all year and another shows the bathroom on the west end of Ralph's Resort that has not been cleaned and weeds are taller than the bathroom. Rooks explained a photo showing 90 foot between the two exits, but three boathouse owners are paying for 30 feet of space and another is paying for 40 feet in that same 90 foot area, which shows there must be an error in measurements. Mayor Powell said that issue should be settled. Discussion was held on lack of rainfall and its effect on the boathouses.

Ewing-Holmstrom asked if they do not pay the boathouse fee if there is no rain. Rooks said no. Ewing-Holmstrom said one picture stated "not used this year, did not see boat out of boathouse". Rooks said he did not see the City boat out on Lake Ellsworth this year.

Baxter said picture 16 shows you should not be able to have three 30-foot boathouses and a 40-foot boathouse in 90 feet of space. Rooks said staff said it was stiff arm to stiff arm a while ago. Benoit said they are being charged for front footage.

Rooks said #19 shows new playground equipment that was set up in the last month east of the tracks; it is not near

the pavilion or campground; there are only six or seven spaces by where they put the playground equipment. Baxter asked who put the sign on the new equipment saying "equipment out of service, unsafe". Benoit said they are waiting on a part so it is not quite finished yet.

Hanna asked how many people worked at the lakes for maintenance. Shahan said three for both lakes.

Shanklin said the City spends \$800,000 a year on the lakes and gets back \$200,000. Rooks asked where the \$800,000 was spent. Shanklin said it is in staff and equipment, capital outlay and police.

Rooks said they thought the fees were set for a five year period when they were increased \$2 per foot last year. He asked if another raise would be sought next year. Devine asked if leases are given. Rooks said no. Rooks said on July 4th, the grass at Ralph's Resort was six inches deep; it had not been mowed.

Bill Ramsey, 6803 NW Crestwood Drive, Lake & Land Commission member, said he was on the Commission two years ago when the rate was raised 20% for the 2001 year. He did not vote for the Commission's recommendation this time, and the fallacy with the staff recommendation is that they are basing the \$500 or \$600 on a boat slip at Lawtonka and Waller's name was mentioned. Ramsey said Waller spent \$3,000 to \$5,000 to build that boat slip that he rents for \$600 a year, and Waller maintains it. He said the City makes no such provision for boathouse spaces and provides only the shoreline so it is not a fair comparison to make to rent a facility versus renting a bare shoreline. Ramsey said RV spots have water and sewer service and boathouses do not, although there is a bathroom located near the boathouses; once again it is not fair to compare the facilities as they do not have the same services provided.

Mayor Powell said two persons were allowed to speak after the matter was tabled and that was done out of courtesy to those who had requested to speak. Shahan suggested names could be taken tonight to be part of the committee so this group will know that they will be represented. Mayor Powell asked if Shahan wanted to name the committee. Shahan said he did not know all these people but wanted them to understand that they would have representation in that discussion. Mayor Powell asked if we have names of those who lease spaces and said to follow the recommendation made by Hanna and make sure there is equal representation from the top lease spaces to the bottom.

21. Consider accepting a rental rate of 3% offered by lessee and renewal of the contract with School House Slough, Inc., and after the date of December 31, 2002, direct City staff to establish a plan for consideration of the possible the termination of the lease with a six month notice. Exhibits: Letter from City of Lawton to Kent Waller concerning expiration date; Letter to renew from School House Slough; Contract Sections 2.9 and 18.9.

Shahan distributed and read from a statement as follows:

"As stated in the earlier item, the direction was given to me to make sure that I brought any type of, all programs, revenues that were a part of my programs in the Parks & Recreation to the Council. This one particularly because this particular item is, this lease is up for renewal, but I'd like to read this. First, I'd like to say that this agenda item is in no way implying that lessee, Mr. Kent Waller at Schoolhouse Slough has operated his lease improperly or has not fulfilled his responsibilities to the City of Lawton. I would like to clearly state that Mr. Waller over the past five years has done an outstanding job as the manager and operator of Schoolhouse Slough. The improvements that have been made at Schoolhouse Slough are of benefit at a high level and have helped serve the public demand for lake recreation services and camping sites. To my knowledge he has fulfilled all his obligations to the City of Lawton within his first five years of his contract.

The contract is for a term of five years and may be extended for not more than three years, additional years of five years each. At the beginning of each extension period, which is that is where we are today, the contract states that the parties shall attempt to negotiate to attain a true fair market value of the rental value of such property. Mr. Waller has provided to you his letter of notice and that he intends to renew the lease and to continue the operation of Schoolhouse Slough. Mr. Waller has proposed a one percent rental increase over the first \$50,000 upon this proposed increase staff believes that this is not a fair market value to be paid to the City of Lawton. This decision is based on the amount of revenue received from Mr. Waller to the City of Lawton on the first five-year term, which was approximately \$20,000. There's a handout provided from Revenue Services. With the one percent increase proposed by Mr. Waller, the City of Lawton would receive in the next five years approximately \$35,000. Mr. Waller's financial statements submitted to the City of Lawton Revenue Services Division over the past five years indicate that he received \$413,976.41 of net income on just the rental facilities. This amount does not include the revenue the store operations produced. With the current facilities and the existing established fees, which are 94 camp sites at \$900 annually, 95 dry stalls at \$450 annually, 54 wet stalls at \$600 annually, the potential revenue if all facilities are rented year round on just rental facilities not including the store operations over the next five years will be \$800,000. The proposed estimate of \$35,000 from Mr. Waller to the City of Lawton for the next five years is not a fair market for this property to pay to the City of Lawton is the Parks & Recreation staff's position.

If a five-year extension is granted, the City of Lawton will still be required to address the buy-out clause of the

current contract in five years, ten years, fifteen years, if all three extensions are granted. The Parks & Recreation Department's recommendation is to extend, is to extend the five-year extension to Mr. Waller, but to consider providing the direction needed to staff on how to address the future of this contract and its financial liabilities to the City of Lawton.

The financial liabilities of this contract are following over the next five years: The proposed lease payment is over \$35,000 over the next five years for the most popular camping site in the City of Lawton Lakes Division. At the end of the next five years, the City of Lawton will be required to still buy out the improvements from Mr. Waller, which Mr. Waller himself has said it will cost the City of Lawton an estimated \$1 million. Because of the greater demand at the Schoolhouse Slough area, a new restroom and wastewater treatment system is needed to meet the demand which will cost the City of Lawton approximately \$250,000, which Mr. Waller believes is the responsibility of the City of Lawton even though he will be the financial beneficiary over the next five years.

As stated, this contract "not the operator" is a major financial liability to the City of Lawton. If this contract was under my name, instead of Mr. Kent Waller, this contract would still be a major financial liability to the City of Lawton. Staff recommends that you extend the contract for the next five years but to provide direction to staff on how to address the future of this contract's problem. I believe Mr. Waller is present to answer any questions you may have concerning his position on this item, and I believe there has been some discussion in regards to this and where we might be able to go. Mr. Baker, if you have any comments concerning this, on this item."

Baker said he agreed with Shahan that the best course of action would be to extend this contract for five years and hopefully within the next 12-18 months, meet with Mr. Waller and see if we can revise the contract and that was his recommendation.

Baxter asked if extending the contract for five years was based on the 3% the City recommends or the 1% Mr. Waller recommends. Response was that Waller had proposed raising from 2% to 3%.

Moeller said information had been provided at the last minute and there was not enough time to absorb it all. If you are going to extend a contract for five years, you do not want to wait a year to amend it; the lease should have some kind of provision to allow for the amending of it. Baker said he and Vincent met with Waller briefly before the Council meeting and Waller is acceptable to opening discussions in 12-18 months to look at possibly revising the contract, he has agreed to that. Moeller asked if the intent was to revise or correct the lease in a year. Baker said that language would not be in the contract but we would agree that we would meet in 12-18 months and attempt to revise some of the provisions of the contract. Moeller asked the purpose of revising them. Baker said it is hopefully to get the City a little bit more favorable position, that would be our purpose.

Hanna said it was stated that the property is valued at \$1 million now and what will be it be worth in five years. He asked can the City afford to keep going higher and higher and the income keep getting lower and lower for the City. Baker said that is going to be a problem the City is going to have to address at some point in the future; he said he did not know the value of the property and did not know if it would be worth more or less than it is today. Baker said it would be difficult for the City to buy it out at this time.

Devine said we should consider five years ago when Waller took possession of the property the major changes he has made. He said he is not in favor of the buy out because the City did that at Robinson's Landing. Devine said if you want to get down to the bare facts, in the contract, we do not have to buy Mr. Waller out; if he wants to terminate his lease, the land can sit there and the facilities not be used; if he does not want to run it, there is no revenue whatsoever brought in, the only way that we have to buy him out. He asked Vincent to comment on the buyout requirements. Vincent said their legal position was presented to Council on June 12th in a legal memorandum that there is an argument to be made that if we operated it that we may have to buy him out; we are not legally positive that the court would find that we have to buy him out because we are the primary owner of the property.

Devine said we never should have got ourselves in a position to write a lease where we would have a buy out clause in it. He said he understood Waller's sentiments on it that he would not have spent that kind of money, and he hated to see anyone spend that kind of money and get five years to try to recover his investment. He said he agreed we need to renew the contract for another five years.

MOVED by Devine, SECOND by Haywood, to accept it for another five years and during that time if we want to terminate his lease, that gives him a five year advance notice that we are going to try to terminate it and we can try to figure out a way of purchasing the property at the end of five years but to take this property, or to try to take this property away from this man now, and not give him a fair market value, and I don't think we're going to try to do that, but I think that's wrong.

Mayor Powell asked for clarification of the motion. Devine said he did not think you can change the contract to where you're going to sit down and talk, if the man is not interested, he is not going to sit down and talk with you, but he already told Baker he would be willing to sit down and negotiate; we took him at his word and his faith five years ago, he spent \$1 million, so he did not think Waller was going to change his mind now and go back on his

word so he did not think that had to be put in the form of a contract.

Hanna said he had received complaints about the parties that go on, the go carts, and the golf carts running all over the lake and asked who enforces the rules and asked if that should be part of the campground rules. Waller said the police department enforces the ordinances; his area is leased but the City has full authority to enforce the rules on the leased property.

Ewing-Holmstrom asked when Lawton got in the business of KOA campgrounds and said it is not even close to the City government, it is way out in the country and it is a mess; it seems like no one has been in control of it at all. She said the pictures she was distributing were taken by someone who lives near the lake and they are pictures of the camp ground, Schoolhouse Slough and questions were raised about the RV park, the trailer park, it is supposed to be camping but it looks like a trailer park. Shahan said they are not living at the Schoolhouse Slough and discussion was held on which areas were Schoolhouse Slough and other areas that are privately owned but contain trailers.

Moeller said residents had called concerning the lagoon situation and asked for information. Shahan said a lagoon was built was at Robinson's Landing; the recommendation from Engineering is for a restroom to be built at Schoolhouse Slough, it will require a pipeline to the lagoon at Robinsons' Landing. Moeller asked if there was an agreement to use Lakeland lagoon and if we do that or if Schoolhouse Slough does that. Baker said we use it but the lagoon has pretty much reached its capacity so additional capacity can be gained by moving the sewage from the Schoolhouse Slough area probably to Robinson's Landing. Moeller said we are using Lakeland's lagoon and it is maxed out. Baker said from what he understood it is.

Shanklin said no one is trying to not pay Mr. Waller for what he has done out there and the value of the materials for the boat stall are the same price whether they are installed at Schoolhouse Slough or at any other location. Shanklin said five years ago, Lake & Land members were upset because none of their concerns were included in the City's RFP. In that, we had a place we called "Grapes of Wrath" and that was going to be wiped off, it was gone; come to find out there is a Memorandum of Understanding five or six months later that we take out 15 of those trailers. Shanklin said he would admit that it looks good and that he had gone out there to look at it; it was a ghetto and it does not look like that now but that was not what we said we were going to do, we were going to clean that area off and Waller was going to move those people and some of them have not been moved and we were going to do that in the first two years. Shanklin said Waller had a Memorandum of Understanding backing him up and it was signed by the Mayor but he did not remember it coming across this table. Shanklin said you people have upset tremendously the apartment complex people, they will organize everyone in their apartments and see that they register and that they go vote; we are going to have a tough time passing anything, so with the same diligence and perseverance, we need to look at this. Shanklin said he had no problem giving Waller the lease but it says we can give 10% and he would make a substitute motion at the appropriate time to make it for 10% and it is in the contract he signed that we can do that, we can raise it to 10%. Shanklin said if you want to tell the taxpayers that he is going to make \$700,000 or \$800,000 and we will make \$25,000 or \$35,000, that is not right, and he thought Waller would give 10% to get five years.

Mayor Powell asked if Devine's motion included the 3%. Devine said yes, it is included, it is as they wrote it right here, their recommendation.

Gena Ellis, Lakeland Addition, said she was not trying to take property away from anybody and she was not really taking a side but there are some issues with this lease as it stands now and she passed out a letter. She said she lives near the lake 24/7 and sees what is going on and some points had been made about the parties and golf carts and what it comes down to is that there is development with no management and Mr. Waller and she spoke and he said there are city ordinances; she asked who enforces them and said they are not being enforced and that is a problem for the residents. She sent a letter to the editor and people are calling her wanting her to do something about it and she has the power only to come about speak.

Ellis said Shahan needs some support, if you compare Schoolhouse Slough to the City side, they have some of the same problems with the parties. She recommended putting a cap on the number of sites Waller can have and said one of the main reason she was present was the Lakeland lagoon. There was an agreement for 30 sites to pump into their lagoon and she counted 55 today so that agreement is not being kept. This affects the lagoon that belongs to those homeowners.

Ellis said whoever gets the lease, you need to put it in writing, re-work this lease if necessary regardless of the lease term. She said she also agreed about the rates, it is money the City could be raising. Ellis also suggested putting out recycle bins; there is so much trash, the City wants to make money and there are plenty of cans laying on the ground. Ellis asked if the portable sewage tanks are within the city code as far as footage away from the water and read a section saying 330 feet away. Mayor Powell said that was addressed here by the Council.

Ellis urged members to visit the area; it is calm now but it is not in the summer, and we talking about seasonal personnel three months out of the year. The concessionaire or someone higher needs to manage the campground

as a campground, not just to develop it.

Bruce Davis said Kent Waller and his staff have done a wonderful job; it has taken the burden off of the City, the City has no bills or maintenance for that area. He said Shanklin mentioned \$800,000 and that is not even close to what the City budgeted for the City; \$250,000 of that is for the police. Davis said Waller had the lease for five years and it is a shame that the City finally reads it two months, or a year and two months ahead of his lease expiring, to find typographical errors.

Davis said if the City takes over an additional 94 sites, they will not even make money on those. He said he handed out a packet reflecting 119 sites, the City is not even making money on them. You took in \$138,047.74 for the year. If you divide that out, you will make a profit of \$3.22 for that prime property you keep talking about that is not making any money. If you take the electricity bill out of the \$138,000, you end up with an \$87,000 profit; dividing that you made a \$2.05 profit per day per site; you still have to take out water, labor, repair costs, gasoline, out of \$2.05. If you do not appreciate the Robinson Landing people, if you take it one more step, Robinson Landing supported \$79,646 of that \$138,000. The other two lakes brought the City \$58,000. You paint this big picture that you are going to make \$160,000 on Kent Waller but you are not even making \$160,000 on the city property you've got now. They need to lower the price, change the rules and make some money on the prime real estate they have out there. Davis said they are not making \$160,000 on 119 sites so how can they expect to make \$160,000 on 94 sites.

Mayor Powell said we have a motion by Devine for a 3% as staff recommended renewal of the contract for five years, and a second by Haywood.

Ewing-Holmstrom said she liked Ellis' ideas, we should be thinking of the future, how far will we let the buildings go, do we want some control over it and is that in the contract. Baker said Council has to approve any improvements Waller makes, if you do not approve of it, he cannot make it.

Shanklin said it is a prime area we are talking about. Waller has done a good job, it looks good, it looks better than it ever has in its history; that does not allay the fact that it is prime land in a prime site and the City is entitled to more money than this. He said we have the ability in the contract to raise it 10%. Vincent said the contract says adjustments to the ground rental amount shall neither increase nor decrease more than 10% in any adjustment, not to exceed 2% upon the occurrence. Shanklin said we cannot raise it 10% and Vincent said no. Shanklin said he was glad the audience liked that and they should not holler when their water bill is fifty cents per glass because it is coming.

Kent Waller said they talk about this big financial liability at the lake. Waller said he went out there and did all of that and it did not cost the citizens of Lawton one penny. He said as long as the City abides by their contract, he cannot see a reason why it would ever cost the City anything.

Waller said Shanklin said there was the "Grapes of Wrath" area. He said it went before the Lake & Land Commission on February 2, 2000 and to the City Council shortly after that and it was approved for them to remain. Shanklin said he missed that and Waller agreed when he took over that he would wipe that out and he told him personally and it did not happen. Waller said he asked for permission to leave it there because some people wanted to stay there. Shanklin said Waller did a good job on it and he looked at it this week.

VOTE ON MOTION: AYE: Devine, Ewing-Holmstrom, Moeller, Haywood, Bass. NAY: Shanklin. ABSTAIN: Baxter. OUT: Hanna. MOTION CARRIED.

Ewing-Holmstrom said in the City Council packet, the contract that was offered to them to review was not even the Schoolhouse Slough contract; it is the non-exclusive sailboat dock operation agreement and does not even say Schoolhouse Slough. Mayor Powell said the Council action was for Schoolhouse Slough. Ewing-Holmstrom agreed.

The Mayor and Council recessed at 7:40 p.m. upon motion, second and roll call vote, and reconvened at 7:50 p.m. with roll call reflecting all members present except Moeller, who did not return to the meeting.

22. Consider adopting a resolution removing restrictions from the Capital Outlay Fund for the remainder of the current fiscal year. Exhibits: 11/26/02 Agenda Item; Resolution 02-219.

This item is inserted verbatim as follows:

Bass: Mayor, Council, I brought this back because I missed the last meeting that we were at and of course, the budget is the most important thing that we have going right now and I missed all the ways that we could raise money for this, this, to raise the million dollars, so I'd like to listen to what you guys have to say and let me hear your opinions on what you think we should do if we don't use this money. Nobody's got nothing to say.

Mayor: Well, for clarification purpose, Mr. Baker had passed out a hand out that particular evening that had I

think 19 or 20 items on it and OK, yeah, Council addressed that issue and the only thing they did eliminate in there, well, there's a couple of things. One of the things eliminated in there was this, for the elderly persons that affected their person and Mr. Baker said at that time that it did not make any difference to him, that big a difference on it, so Council did not remove that. One other thing I think in that was for little league basketball games, to take away the, that is reagendaed for tonight, and other than that, and a motion was made to accept what was given there and part of that motion was \$1.2 million I think on the capital outlay, to leave that, put that in the general fund but not be able to spend it unless the Council gave the blessings to that. There were six Council members here; if memory serves me right, that passed four to two to accept that as was motioned and then it come back to pass a resolution which had to be done and you had to have five affirmative votes and only six Council members were here and there was the same vote, four persons for it and two opposed to it, and the City Attorney said we had to have five affirmative votes so that's kind of the situation on what happened on that, Randy.

Shanklin: Well, Mr. Bass asked a question and he said nobody's going to speak up. Yeah, I'm going to speak up. You want to know where we're going to find the money, we haven't looked every place yet. The City Manager, did you see what, I brought the newspaper, Bartlesville did. They furloughed everybody for a week. Headlines Daily Oklahoman, but we're not that innovative, we're too loyal, and I like loyalty but I represent the taxpayers. I don't represent the City employees. City employees are different. Mr. Baker, you represent the City employees. How about Mr. Vincent if you can find a way to get the money out of that resolution for that \$3, how about getting the money out of the tax money that we were going to build a fire station and put it off for a year out here?

Vincent: The fire station went to a vote of the citizens of Lawton, sir. That's a different animal totally.

Shanklin: OK. I'm glad to hear that. I did get a report back about how we could, and it can't be done, furlough or what have you, we couldn't do the police and the fire so that just leaves the general employees and that wouldn't be fair. You know, this Council with the taxpayers, not their blessing yet, but we were benevolent and we put \$400,000 in the hospitalization fund, hospital fund, and I guess we don't ever intend to ever reap that back. The only thing I'm telling you Council is it's in the paper this morning, we gave a \$1.2 million raise and we didn't have the money. That's where you are right now trying to find it. I did not vote for that, Mr. Baxter. I got defeated on the budget, I think it was six to two; two of us voted not to go with the budget. Right Mr. Bass? Didn't you vote for that?

Bass: I think you voted for it.

Shanklin: No, I didn't vote for the budget, I did not. Two of us did not vote for the budget, but my point is, and I said then, and I got tricked into the other and they knew I voted wrong, the Mayor did, Mr. Vincent, and Brenda asked them, Bob, does he know how he voted when I voted on the next issue. I was defeated five to two not to give the pay raises. That was a substitute motion, you called back, I think I got it right here, yeah, I did say yeah, when you was telling me I voted to give the raise but that was just to give him direction, that wasn't the budget. The budget had that in it. I said then to you, you're going to find a way to get this money, now let's do it. If you think this is a fair way, and you guys that are up for election, I'm telling you, I think you're, whatever. I don't know how you're going to get the money. I can't still cannot vote for it. Thank you.

Mayor: OK. I'd like to make a couple of statements if I can on this thing just as reminder of how we got here. I think you can go back and pull the figures on this of the downside of the lack of water that was sold and the amount of water that was budgeted for this fiscal year you will find that it is way down from what was budgeted for that.

Shanklin: Well, how much is it down because I didn't catch that.

Mayor: Well, I'm talking about revenue was down on the water sales for the, for this past summer because of a cool, wet summer.

Shanklin: But they never have told us that, they never told us how much it was. If it's still a secret, all right, but if it's not, let us have it.

Baker: We're projecting that our water sales will be down \$1.2 million and that's the primary reason for the deficit, that with the less than projected carryover makes up the bulk of the deficit. We had an extremely mild summer that no one could predict.

Mayor: OK, so there's \$1.2 million.

Shanklin: We didn't give a \$1.2 million raise then, Mr. Baker?

Baker: Yes, the Council did do that.

Shanklin: Thank you. That's all I know.

Mayor: But what I'm saying is, how we got there, that was projected, it was down \$1.2 million because of a cool, wet summer. That's an act of God and thank the good Lord we can't, we cannot intervene in this weather situation. He takes care of that, we've got everything else so screwed up, and the other thing is September 11th event whereby the entire United States of America is down in their sales period. We're trying to do something about it here and I hope it proves to be fruitful but those two reasons right there, yes, we did give a raise but for those two reasons right there, we're been in pretty dog gone good shape had it not been for those. Those two things we have no control of and I will say right now, and I'm not speaking for Council members sitting around this table, anybody wants to use this for political gain in the future is joining those people out there who have been detrimental to the United States of America and I mean that. And I understand there's been some statements made about this, we are not deceiving the people on this \$3 rolling stock.

Shanklin: You're not?

Mayor: No, we're not, we're not deceiving the people on this thing, they know what they voted on. This is not the first time it's been for use of anything other than a bulldozer or a pick up or a police car.

Shanklin: To my knowledge it is.

Mayor: We've set right here and been told before on computers and those kind of things.

Shanklin: This was the first year for computers.

Mayor: At budget workshops that it has happened in years past. No, this is not the first time it ever happened. It has happened in years past and it was asked if this is legal to this City Attorney right here and it was and it has been done in past budgets.

Shanklin: We did it a year ago, Mr. Vincent? You just gave us your interpretation of that resolution and how we could do that just this year.

Vincent: On the rolling stock? It was last spring a year ago.

Shanklin: Spring a year ago.

Vincent: Yes sir.

Mayor: This is two budgets in a row that it's happened.

Shanklin: But you said years, see, and I'm trying to back, we only put that in in 97 or 98 so it can't be years.

Mayor: Well, two years is years. Two years. My point is this that we're not being deceptive. It's right out there on the table. It's not the first time this ever happened. Plus the fact, this Council has got the ability, if, before the money is ever spent and we hope it's not spent for anything other than rolling stock, the Council's got the ability before it can be spent and say yes it can be or no it can't be by Mr. Baker.

Shanklin: Well, you're budget next year is going to be just as bad.

Mayor: And I understand that, Bob.

Shanklin: Now, where are you going to get it? Water is going to be fifty cents a glass.

Mayor: One day at a time Lord. Mr. Bass.

Bass: Well I know we're in a serious budget deficit but you know, some of us on the Council went in this. Bob, I don't know if you were in or out, I don't know where you were, you know, but we went in, if we were going to give police a raise, we're going to give fire, we're going to give general employees a raise, we all went in this together. You might not have been in that group but some of us up here said that's what we're going to do.

Shanklin: If you give one, you give it all.

Bass: If we give one, we give it all.

Baxter: He was in that group.

Bass: He don't remember it so he might not have been.

Shanklin: No, I wasn't in the group. I've got the minutes, I wasn't in the group.

Mayor: OK, that's enough, let's go.

Bass: I'm just saying that this money, this million dollars is sitting here in rolling stock, for the past two budgets that I've been in we have used it for computers, chain saws, anything else other than things that roll so I just think, I don't want to furlough anybody, I don't want anybody to lose their jobs. I just think that we should try our best to use this money until we run out of this money and at the last minute if we have to do something at the very end then we do something else and that's the way I feel about this money.

Shanklin: Well, I made the statement that you all would vote for it, there's no doubt about it.

Mayor: Mr. Hanna?

Hanna: Talking about furloughing people, if we furlough people, we're also going to cut services and if we cut services, what are we going to do then? This is only a temporary fix until we get our act together for next year's budget, and next year's budget is going to be cut hard. People better, you know, take notice now because a lot of things you're going to expect next year won't be there because we have no choice, and like the Mayor said, it has to be approval of the Council, have to have five votes of the Council. All of those things are put there in case of extreme emergency. We've got to try to fix it. We're \$2.7 million down this year, what's next year going to bring if we don't try to work with it?

Haywood: What's the resolution?

Bass: I'm going to make a motion...

Hanna: ...to change the resolution also because of the way it's worded last time wasn't worded correctly.

Vincent: It's fixed.

Hanna: It's fixed. You need to read that.

Bass: I'm going to make a motion to remove restrictions from the capital outlay fund for the remainder of the fiscal year.

Hanna: I'll second it. And the resolution.

Mayor: Yes, this will be 02-215, Brenda, is that correct? 215. We do have a motion. Did somebody second that motion?

Hanna: Yes, I did.

Mayor: All right.

Clerk: It's to adopt the resolution that's in the book.

Hanna: Yes.

Baker: I know you're getting ready to vote but I just wanted to re-emphasize two things. First of all, this is for the duration of this fiscal year only. As of July 1, 2003, this restriction will go back into place and these funds cannot be used for anything other than capital outlay. And the other thing that I wanted to emphasize was that this money will not be spent on anything until we come back to Council and hopefully we'll be able to make those decisions, you'll be able to make those decisions in the fourth quarter. If we have to do something with personnel then, I'll be the first one to recommend it but this money will not be spent.

Mayor: Mr. Devine?

Devine: I just want to add right back the same way I did last time. I don't understand how you can figure how you're going to come up with the money any place else when you just flat, you just hand the money out there and you say here, stop looking, you've got \$1.2 million now, you don't have to look any further, Mr. Baker, your job's done for \$1.2 million. I don't understand that, and that's rolling stock is what it's supposed to be for and we abused it before and here we're trying to use it all and I just, and yes, I am one that voted for the raises. I do not deny that, whether it was right or wrong or indifferent but we're wrong, Council, you're wrong using this money and you're saying that you're not going to use it but I'll guarantee you the minute that you vote to set this money aside for him to use, he will not look any further for any more revenue other than what little bit he's going to need over that \$1.2 million. You don't give the man a cookie jar and tell him not to eat the cookies and that's exactly what you're going

to do.

Baxter: Mayor?

Mayor: Yes.

Devine: Just a minute, Mr. Baxter, I don't do you that way, I'd just like to finish and then you can ahead.

Baxter: I thought you were done.

Devine: I'm done.

Mayor: No, go ahead, Glenn.

Devine: No, that's all right. I've never seen a Council that everybody just runs over each other and they show no respect to other people that has the floor.

Baxter: Well just in case you didn't know, I had my hand up before you did, sir.

Devine: I just was recognized by the chairman of this board.

Baxter: Just in case you don't know, there are employees that work in this City that are taxpaying citizens in this City, Mr. Shanklin, and the term rolling stock is no where in the resolution, the term is capital outlay. These two cronies that used to sit up here, John Purcell and the guy with the threatening letter that's going to run against me, Mr. Randy Warren, invented the term rolling stock. That's what they wanted. The term is capital outlay. It don't have to have wheels on it. That's you guys' imagination and I will support it, and Mr. Warren, wherever you're at, I ain't scared of you running against me about this cause I'm darn sure going to vote to move the money.

Mayor: OK. There's one thing that I do want to say is, it seemed like from outside sources that we're second guessing about this and I do want to read the motion the last time "to adopt the resolution removing the restrictions from the capital outlay for the remainder of the fiscal year only". It wasn't an open ended book that's being said at other places. Please call the roll.

Shanklin: I've got a substitute motion.

Mayor: Oh, I'm sorry. Substitute motion.

Shanklin: I make a substitute motion that we add to the water \$1.50 surcharge and allow that will create \$600,000 I believe and allow \$600,000 to be spent from the rolling stock and I'll vote for that but I ain't going to take all of that million and the reason I say the \$1.50, I never got one complaint when we raised the water this past summer, water bill was raised, not from anybody did I get a complaint. We seen these people out here, they're willing to give away their money out there at their lake. They want their water to, it doesn't bother them what water costs, there's your solution right there, a buck and a half for that six months will get you 600 and you get 600 from the rolling stock, that's a motion.

Mayor: You did hear the motion.

Ewing-Holmstrom: I'm going to second that. I like that idea.

Baxter: I'd like to comment on it.

Mayor: Yes sir.

Baxter: Bob, I don't have a problem with that maybe in May or June, that might be a good motion to make then but why can we not give that City Manager the opportunity to utilize this money on paper to try to at least get us to the end of the fiscal year? I don't understand what...

Shanklin: Start the \$1.50 January 1st in the first cycle.

Mayor: Mr. Baker, please.

Baker: I just want to clarify something. If you added \$1.50 to the water bill for the next six months, it's \$300,000 not \$600,000.

Shanklin: It's \$300,000 not \$600,000, I missed it, that's \$300,000. You'd have to put \$3 on there for it for six months to generate \$600,000. Anyway, you're in a crunch. I still didn't get any complaints on the water bill.

Mayor: OK, your substitute motion...

Shanklin: Substitute motion being we put a \$3 surcharge on there for six months. I did the same thing when I sat over there, we did it for six months, but it was only for fifty cents because we was only \$500,000 shortfall and your bill will show that I hope Mr. Endicott can show me that we're down a million two in these three months of water bills from last year.

Mayor: Substitute motion is a \$3 surcharge on the water bill for six months, is that right, Bob?

Shanklin: Yes sir.

Mayor: And I hear no second.

Shanklin: That's all right.

Mayor: Now we revert back to the original motion. Please call the roll on the original motion." (end of verbatim portion)

VOTE ON MOTION: AYE: Ewing-Holmstrom, Haywood, Baxter, Bass, Hanna. NAY: Shanklin, Devine. MOTION CARRIED.

17. Hold a public hearing and consider whether or not to adopt a resolution: (1) Declaring the primary structure at 707 W. Gore Boulevard to be dilapidated and dangerous, thus causing a blighting influence on the community, detrimental to the public's health and safety, i.e. a public nuisance; (2) Authorizing the City Attorney to initiate legal action to have the District Court compel the property owners to abate any Council declared public nuisance on the property; and (3) Authorizing Neighborhood Services to solicit bids to raze and remove the primary structure, if appropriate. Exhibits: November 2002 Informational Report to Council; Resolution No. 02-____.

Shanklin said he had been fighting this for three years and it is self-explanatory as written. He said if the owner is present, he would like to hear from him, but we have to get it on demolition and the process from there is that if he does not do it, he will be taken to District Court. Shanklin said it has been three years and we let him walk off by not putting in on demolition over a year ago or it probably would have been done.

PUBLIC HEARING OPENED.

Dr. Roland Floyd said he is appearing to state that a dilapidated structure does not exist, this house is not detrimental to the health, safety or welfare of the public, it does not create a fire hazard and therefore it should not be removed. He distributed photographs and offered to answer questions.

Devine asked how Floyd was coming on the electrical, what stage is it in. Floyd said the electrical is done, the light fixtures are not up yet because he had not finished brocading the sheet rock. Devine asked about plumbing. Floyd said the plumbing is all roughed in, he has a working bathroom as well as one that is incomplete; there are fixtures in two bathrooms. The heating and air are complete except the covers for the ducts in the ceiling are not in because the sheet rock has not been brocaded yet. Devine asked the length of time anticipated before the building is usable. Floyd said February 15 is the projected time that the building will be usable.

Ewing-Holmstrom asked what the intentions are of using the small structure in the rear. Floyd said it is currently used for storage and part of it may be converted to a garage. Ewing-Holmstrom said the tile work in the bathroom is very nice. She said Council has seen far worse structures, as example Club 425 on Sheridan Road, and Floyd's structure does not look bad at all. She said in talking about being a blight on the community, on the outside the house looks great and what is being done on the inside looks a lot better than she would have thought. Ewing-Holmstrom said she did not understand why we are riding this guy so hard, we have houses out there that look far worse than this.

Shanklin said Ewing-Holmstrom just came on the Council and they had been fighting this for three years after he said he would take care of it. He said if we do not do them all the same, and if we let him bully us around, and it looks like he is going to get it done, but you will not be successful in court if they are not all the same because he would go over there with them and go before the judge and tell him we do not do the same for everybody. Shanklin said we just want him to finish the house, he has to provide a parking place; it is fine to make a garage out of the building in the back but it will not be done by February 15. Floyd asked to speak and the Mayor said he would have that opportunity. Shanklin said he just wanted it done and no one would want it in their area.

Floyd said there is a parking place in the back of the storage building; there was no indication of parking on the building permit and as far as he knew he was not allowed to build a driveway or garage because he did not have a building permit.

Shanklin asked if Floyd had received the background information provided to Council. Floyd said he had only been given a letter. Floyd said he was planning on putting in parking and a driveway but wanted to finish the house before getting into that.

Mayor Powell said Floyd's intention is to complete this by February 15, 2003 and asked if Council could depend on that happening. Floyd said yes.

Devine asked the City Attorney how long it would take the paperwork to get before the judge if this was placed on demolition. Tim Wilson, Assistant City Attorney, said if the property is declared dilapidated, the owner has 15 days to apply for a demolition or remodel/reconstruction permit, once the permit is granted, the owner has 30 days to begin the repair work and within that 30 days they must make 75% completion and if that is done, Council may grant no more than two additional extensions. Wilson said if the owner fails to meet any of these steps, Neighborhood Services refers it to the City Attorney's office for commencing litigation. Wilson said it could be as quick as 15 days to two months.

Devine said it might be to Floyd's benefit for Council to put it on demolition so Floyd can apply for the building permit which would give him the extra 60 days to finish it. Floyd said you are talking about him stopping what he is doing, losing his workers, and starting all over again; this has happened two or three times during the course of his building permit, he had to stop work, come to Council and then get another building permit; he had not been allowed to do anything continuous throughout the course of this time. Floyd said to call this a dilapidated structure is the most ridiculous statement he had ever heard.

Mayor Powell said Floyd said he would have it done February 15 and Shanklin had asked that it be finished so someone could move it or it be sold, whatever you want to do. Shanklin said he had to build a garage and he had to have a permit for that. Floyd said he does not have to build a garage. Shanklin said Floyd had to provide a parking place. Floyd said he has a parking place already.

Baxter read the following paragraph "Although much of the work remains incomplete, most areas are substantially complete and the work that does remain to be completed would not, in and of itself, require a building permit." Baxter said Floyd does not even have to have a building permit and he should be left alone to be able to finish.

Bass asked if Dr. Floyd was appearing to request an extension on a building permit. Floyd said no, he was present to keep the Council from tearing the building down. Shanklin said we are not going to tear it down. Floyd said that was good and he was glad to hear that. Shanklin said he did not want to tear it down, he just wanted Floyd to fix it. Shanklin said he and Floyd did not like each other because Floyd has a sorry piece of property and an eyesore and he revels in it. Floyd said he is the one that has it, that is right.

PUBLIC HEARING CLOSED.

Shanklin said when you start deviating, the next one that goes to court will be allowed to remain. He said he did not know how to force Dr. Floyd to do it and he would love to see it done by February 15.

Bass said if he does not have to have a permit, why are we trying to declare this building dilapidated. Shanklin said it has not been finished and we have no recourse to make him finish it except to put it on demolition; it is not going to be demolished. Bass said obviously he has done enough that Neighborhood Services said he does not have to do anything else.

Vincent said he was contacted by Mark Ashton, Dr. Floyd's attorney, and he advised Ashton that if Dr. Floyd made a promise to this Council to have it completed by a certain date, this Council might listen to it but if he broke that promise, we would probably take him to court. Bass said he does not need a permit. Vincent said that is actually debatable because he has not finished the plumbing or electrical and those could be permitted items, he did not know what stage they are in but they could be permitted items. Shanklin said they have to be inspected and if he does not have a permit, then we do not inspect it.

Mayor Powell asked if Council wanted to adopt the resolution or not. Shanklin said he did not want to adopt it; he made a promise and Mark Ashton said February 15 and he would accept that. Vincent asked Dr. Floyd if that was a promise and response was yes.

Devine said there is a loose end on the building permits that when you apply for a permit, you never have to finish the project. He said that is a major problem and they were working with staff to re-write the ordinance to have an end date on the permit and that you must have a certificate of occupancy at the end of the permit and the structure must be livable at that time. Shanklin said we have been fine tuning this for three years and will still be doing so next year.

18. Hold public hearings and adopt resolutions declaring the structures at: 1108 SW J Avenue, 909 SW C Avenue, 2324 SW Evans, 1209 NW Taylor, 1123 NW Ozmun and 1213 NW Taylor to be dilapidated and dangerous, thus causing a blighting influence on the community and detrimental to the public's health and safety. Authorize the City Attorney to initiate legal action declaring a public nuisance in District Court and Neighborhood Services to solicit bids to raze and remove structures, if appropriate. Exhibits: None.

1108 SW J Avenue: Angie Alltizer, Neighborhood Services, said the owner requests demolition to be able to receive reduced tipping fees.

PUBLIC HEARING OPENED. No one appeared to speak and the public hearing was closed.

MOVED by Haywood, SECOND by Bass, to adopt Resolution No. 02-220 declaring the structure at 1108 SW J Avenue to be dilapidated. AYE: Shanklin, Haywood, Bass, Hanna, Devine, Ewing-Holmstrom. NAY: None. OUT: Baxter. MOTION CARRIED.

909 SW C Avenue: Alltizer said there is a primary structure which has been boarded and secured for a number of years; there is not a record of utility service so it has been disconnected for probably in excess of seven years. There is junk and debris in the rear yard. Two accessory structures are also in a dilapidated condition. The foundation is falling apart and there is overall deterioration.

PUBLIC HEARING OPENED.

Pat Reynolds said he was appearing on behalf of his family and stated that his parents and wife are present. He said the house has been in his family since 1936; it is one of the original homes built in 1902 by William Matthews. The original patent was signed by Theodore Roosevelt. The house is maintained by Reynolds' parents for sentimental reasons; it is where his mother finished growing up and where he and his parents lived in his early years. It is currently used for storage. Reynolds' parents currently live across the alley from his grandmother's house and keep a protective eye on the property. Grass is maintained and the house was painted two years ago; the utilities have been off from three to six months. The windows are boarded; it was broken into prior to that. The property was last inspected four years ago and to date there have been no complaints or problems with the property.

Reynolds said his family has been discussing renovating the property as a historical home but after doing research they found they do not have funds today to take on the project; it is their future plan to take on this renovation project. He said they are interested in keeping the property as it is and maintaining its current state until funds are obtained.

Ewing-Holmstrom reviewed Reynolds' comments and asked if they now planned to just wait. Reynolds said he would leave that to Council to determine. Mayor Powell asked about cleaning up the debris in the back. Reynolds said he would be happy to do that; most of that is his materials consisting of rock and pecan wood. Ewing-Holmstrom asked about the rear structures. Reynolds said there is an underground basement, an old garage and a shed that is open on one side to the west of the garage.

Shanklin asked Reynolds the value of the house if he had to sell it. Reynolds said he would not have a clue. Shanklin asked if he thought he could get \$100,000. Reynolds said sure, he honestly did not know but there was bound to be some value because the house is so old. Shanklin said he had been in remodeling for some years but it would cost so much more than 50% to remodel it that they would never get it done. Reynolds said he figured Shanklin was a pretty good authority on that and they had not got that far along to determine those costs. Shanklin said Council made Henry Herzig tear down his property across the street, Mr. Mansell had to tear his down, and even though he and Reynolds' father had been good friends for a long time, they cannot deviate. Shanklin said Council must put it on demolition and the Reynolds would have recourse through District Court and the judge can allow what he feels is appropriate, but we cannot pick and chose or we might as well do away with Neighborhood Services.

Reynolds said he would need to speak with Neighborhood Services after the meeting. Bass said Reynolds can get a permit that would give him 90 days which would be time he could figure out what to do.

Ewing-Holmstrom asked what the inside of the house looked like and if there had been a fire. Reynolds said no, it has some water damage but it is beautiful inside with old wood-laid floors, a fireplace, and one thought was to pull out the good parts of the structures then demolish the rest and start over. Mayor Powell thanked Reynolds for appearing to represent his parents.

PUBLIC HEARING CLOSED.

MOVED by Shanklin, SECOND by Baxter, that we place 909 SW C Avenue on the demolition list and adopt Resolution No. 02-221. AYE: Haywood, Baxter, Bass, Hanna, Devine, Ewing-Holmstrom, Shanklin. NAY: None. MOTION CARRIED.

2324 SW Evans: Alltizer said this is a single family residential structure that is dilapidated and was found today to be unsecured. City utilities have been disconnected since 1994. The owner is unable to attend tonight due to a disabled state of health but advised they had contacted Great Plains Improvement Foundation about rehabilitating the structure. The City has spent approximately \$400 to mow and secure this structure since 1999. General location of the house is that it is on a short street by Cameron.

PUBLIC HEARING OPENED. No one appeared to speak and the public hearing was closed.

MOVED by Devine, SECOND by Bass, to put 2324 SW Evans on demolition and adopt Resolution No. 02-222. AYE: Haywood, Baxter, Bass, Hanna, Devine, Ewing-Holmstrom, Shanklin. NAY: None. MOTION CARRIED.

1209 NW Taylor: Alltizer said she had asked that this structure be pulled from the agenda item because we were able to inspect the property on Friday after Thanksgiving and found that it is habitable but it has not been occupied for several years. She said the structure is sound, the property owner contacted staff and allowed them to inspect because he was in town for Thanksgiving. She asked that Council take no action on this structure.

1123 NW Ozmun: Alltizer said this is a duplex. It has been recently secured. A representative of the owner contacted the City Manager's office as well as the City Clerk's office and asked that they receive additional time because they are in the process of possibly selling the structure and she told him that she would present that information to the City Council tonight and make that recommendation but Council can chose to act by putting it on the demolition list or not. Alltizer said the owner cooperated by securing the structure but it is in a state of disrepair; utilities were terminated in August 1996 and it has not been occupied since.

PUBLIC HEARING OPENED. No one appeared to speak and the public hearing was closed.

MOVED by Hanna, SECOND by Baxter, to declare the structure at 1123 NW Ozmun to be dilapidated and adopt Resolution No. 02-223. AYE: Baxter, Bass, Hanna, Devine, Ewing-Holmstrom, Shanklin, Haywood. NAY: None. MOTION CARRIED.

1213 NW Taylor Avenue: Alltizer said this is a mobile home that is dilapidated; utilities were discontinued in October 2001. Complaints have been received as to it being unsecured.

PUBLIC HEARING OPENED. No one appeared to speak and the public hearing was closed.

MOVED by Hanna, SECOND by Baxter, to declare the structure at 1213 NW Taylor and adopt Resolution No. 02-224. AYE: Shanklin, Haywood, Baxter, Bass, Hanna, Ewing-Holmstrom. NAY: None. OUT: Devine. MOTION CARRIED.

19. Consider accepting a grant from the McMahon Foundation for the construction of Phase I, Street Improvements in Elmer Thomas Park. Exhibits: Letter; Map.

Baker said McMahon Foundation has approved a grant in the amount of \$158,058 and it will provide for phase one of the street and road improvements in Elmer Thomas Park, which is a major part of the master plan. He said not only will it help get started on the road project, it will also allow us to use this as match for the restoration of Lake Helen and any funds remaining, we are attempting to get ODOT funding and we can also use these funds for match for that.

MOVED by Baxter, SECOND by Hanna, to accept the grant from the McMahon Foundation for the construction of Phase I, Street Improvements in Elmer Thomas Park. AYE: Haywood, Baxter, Bass, Hanna, Devine, Ewing-Holmstrom, Shanklin. NAY: None. MOTION CARRIED.

Mayor Powell said we want to publicly thank McMahon Foundation for their support of the City of Lawton and for this particular project in Elmer Thomas Park.

23. Consider approving a modification to the City Group Health Plan that eliminates the Non-Preferred Provider Organization Oklahoma (Non-PPO Oklahoma) benefit. Exhibits: Employee Group Health Plan Statement of Receipts and Disbursements.

Tim Golden, Human Resources Director, said the employee health plan has a bank balance of \$10,000 and an outstanding balance of \$36,000. He reviewed the performance of the health plan for the last 17 months and on average, disbursements exceed receipts by \$10,000 per month. Based on that data, staff projects there will be a \$116,000 debt at the end of this fiscal year. To negate that, staff recommends eliminating elimination of the non-PPO option in the benefit plan. If this is approved, the third party administrator projects a savings of \$164,000 this fiscal year and approximately \$330,000 in subsequent fiscal years.

Golden said this benefit reduction option and others have been presented to the Health Plan Committee but they have elected to decline to vote for any benefit reduction, in lieu they recommend increasing the single rate

premium for the City, and members of the committee are present if they would like to address it.

Golden said he received from the third party administrator last Friday that we have a large claim pending; there is not a specific amount as far as what the City would be liable for but we are projecting being down \$116,000 and the number could easily be much larger if an inordinate number of high dollar claims are received.

Ewing-Holmstrom asked if the other option was the single rate. Golden said that is the preferred option by the health committee; normally if you increase the single rate premium, there would also be an increase in the family rate premium.

Devine said he heard somewhere that an employee just got out of the hospital and the bill is expected to be about a quarter of a million dollars and asked if that was correct. Golden said the claim has not formally been received but they expect to receive something and he could not confirm the amount but that would be in the ballpark in his estimation.

Baker said the committee's recommendation is to increase the single premium but they want the City to increase its contribution to that; they are not recommending that the employees increase their contribution.

Baxter asked if increasing the single rate contribution was in addition to elimination of the non-PPO option. Baker said no, the committee recommended the single rate contribution increase; staff recommendation is to go with the non-PPO provision.

MOVED by Shanklin, SECOND by Haywood, to approve the staff recommendation on the non-PPO option.

Juan Rodriguez, President of IAFF, Local 1882, said Dewayne Burk is one of his appointees to the health committee, and Sam Shubert and himself are alternates. He said he was speaking from the position of Local 1882 and not as committee member. Rodriguez said he would relate this to an earlier action regarding Schoolhouse Slough; the City has a contract with Kent Waller, and he would state now that the City also has a contract with Local 1882; any increase in premiums or any decrease in benefits constitutes a pay cut. He said as it pertains to individual firefighters, it is a pay cut and that is who he is speaking for. Rodriguez said this action would constitute a change in the current agreement; the City and the firefighters entered into a contract, really three years ago and this Council approved it again for this fiscal year and now it is being changed in the middle of the year without negotiation. He said he understood there are budget problems, that is no secret, everybody knows it, and many groups have stood at the microphone and asked Council "do not do it on my back". Rodriguez said he hated to be another person to stand here and ask the same, but we do have a contract and he asked the Council to honor it.

Baxter asked if the contract says the City will provide a certain percentage of health care for them and is the non-PPO benefit just an elimination of a certain group of doctors; do they not still receive the same benefit. Vincent said from what he read that was presented to Council, what Baxter said about the elimination of a group of doctors is what his understanding is of elimination of PPO; the contract does provide that the City will pay 100% of the employee cost and 50% of the dependent cost per the fire contract, and asked Rodriguez to correct him if needed. Rodriguez's response from the audience was inaudible. Vincent said he was speaking of the premium cost, 100% for employees and 50% for dependents. Vincent said the contract says they will receive the same benefits as the other employees as far as the health plan.

Baxter said they would receive the same benefit; there might be an elimination where some of the guys might have to change doctors because their doctor may not fall in the PPO plan the City is wanting to go into, and that was what he had to do last year at his work. Rodriguez said that is a true statement and his point is that this is a change in the contract, and the Council offered to renegotiate Kent Waller's contract but the firefighters also have a contract and Council is changing it without any negotiation.

Ewing-Holmstrom asked if it is a change in the contract and if it was legal. Vincent said there have been about five cases he was aware of, three cases have held that the City can do this, one is in litigation and one was held that the city could not do it; if you look at the three to one then we can do this because they do have members on the health plan committee and there have been changes both up and down since he had been here that had never been grieved.

Dewayne Burk said he was here not only in behalf of Local 1882 but for all the general employees, police officers, he was representing the health committee. He said he is a Lawton firefighter. Burk said there is a problem with the health fund right now and they had been looking at it for a long time on how to make it more solvent. He said the only way he knew how to figure out where we are and where we stand is to do some type of comparison survey with other municipalities of the same type of insurance plan that are self-insured and providing the same benefits and things like that. Burk said we did that, he and Cathy Hipp, they called Broken Arrow, Edmond, Enid, Moore, Norman, and a number of cities; they set criteria such as are you self-insured, do you offer health insurance for all of your employees, what rates do you cover, single rate coverage, and dependent care coverage.

Burk said they found on the single rate premium, and this is the reason for the health committee's recommendation, on average the City of Lawton is 26.8%, and that number has since risen because he had new numbers on Edmond, Lawton is 26.8% behind in the single rate premium. He said by comparing the way the other municipalities do it, everybody pretty much pays 100% of the single rate premium, that is the employee only, and on family coverage, cities pay from 50% to 75% and some pay all the way up to 100% depending on the city. Burk said the one constant is single rate premium and Lawton is 26-27% behind in what it pays for single rate premium. He said every time we get into a situation, if you raise the single rate premium, the only people that will feel that will be the City of Lawton; employees will not feel that. Burk said if you raise the total dependent care premium, if you raise it 25%, then the employee is going to have to cover 12.5% of that because the City pays 50% of that and the employee pays 50% of that.

Burk said we are right in the ballpark now on the dependent care premium, within 5.4% of the actual rate, we fall in the average, so we are good on our dependent care premiums but we are really falling behind on single rate. He said we had some substantial claims, but the single rate premium is a large reason of why the health plan is not solvent and it is in trouble and it will have to have help. Burk said he knew there were problems with the budget but a benefit reduction in their opinion is a change in working conditions and it has to be negotiated. He said if you eliminate non-PPO, even though you are still providing the benefit of health insurance, that is a benefit; it is a benefit that was offered when we signed off, it is a benefit that every employee enjoys, and any time you take anything out of that or add to it as far as rate increases and put it on the employees, even if you say you want to raise the premium on single rate insurance, in his opinion he has to go back to his membership and ask if they have a problem with the City paying more on the health insurance, and that is their choice, but it still has to be OK'd and negotiated. Burk said the real reason for the problem is the single rate premium is under funded on the City's behalf.

Baker said the trend among most employers now is to pass more of the cost of health insurance to the employee, and you have to look at what the City can afford. He said this year the Council approved an additional \$340,000 for the health plan, something like that, and to take the recommendation of the committee, you would have to come up with another \$164,000 for the remainder of this year to offset the savings you will realize by going with this non-PPO option. Baker said he was just saying the City does not have the money and we have a very generous health plan, it is a good plan, the benefits are good, the premiums are very reasonable for the employees, and if you have \$164,000 to put in the plan, then do not approve this tonight but we do not have the money.

Rodriguez said a union grievance was filed on a change to the insurance very recently, within two years and the City opt to settle that grievance and it did not go to arbitration and the settlement was that they would abide by the committee's recommendation. Vincent said Rodriguez may be right, he did not recall. Rodriguez said he felt the Council should know that before hand. Baker said he did remember the grievance and believed the issue was that the City had not taken the changes to the committee and that was the point, that we had to take the issue to the committee, but we did not have to follow the committee's recommendation. Vincent agreed with Baker.

VOTE ON MOTION: AYE: Baxter, Bass, Hanna, Devine, Shanklin. NAY: Ewing-Holmstrom. OUT: Haywood.
MOTION CARRIED.

24. Consider approving an agreement between the City of Lawton and Lawton Evening Optimist Soccer Association related to the construction and operation of a new soccer complex. Exhibits: Cooperative Agreement.

Shahan said one of the number one priorities in the Parks & Recreation ten-year plan is to some way establish a soccer complex. LEOSA is in the process of establishing the facility and there are some things to assist the organization to construct and develop. Shahan said in his opinion the assistance being requested from the City of Lawton for a complex that would probably cost the City of Lawton, if they were to build it, about \$1 million that this is a benefit to the City of Lawton. He recommended approval of the agreement with LEOSA.

Shanklin asked how we give away water from the Lawton Water Authority. Vincent said LEOSA will own the property and construct the facilities, it is an off-set on the water and sanitation pickups, the two dumpsters.

MOVED by Shanklin, SECOND by Baxter, to approve.

Mayor Powell asked how Council could take this action without having the Water Authority take action. Vincent said the Water Authority has subleased the operation of the water department and setting of rates to the City Council. Mayor Powell asked if this is legal. Vincent said yes.

Bass asked if a water sprinkler will be used on the fields. Shahan said yes. Bass asked if the City would furnish the water for the sprinkler system for a 38 field soccer complex. Shahan said that is correct; our estimation of a 22 week watering cycle would be approximately, average water time of 45 minutes, there would be approximately 10,800 gallons one time per week, or 410,000 gallons, and what you are getting close to for a per season from May to the end of August, you would use about 10 million gallons of water per summer season.

Baker invited Council's attention the key issue on the agenda item commentary; this is something we talked about and the key issue is "to protect the City's interests, should the City place a limit on the water to be furnished without cost?". He said the issue is whether the City should charge for water over a certain amount used and Council should think about that.

Bass asked how many million gallons they were going to use in a year, whether it was summer or winter. Shahan said 10 million gallons.

Ewing-Holmstrom asked whose idea it was to provide the free water. Mayor Powell said they are providing many, many free soccer fields saving us millions of dollars if the City chose to have soccer fields. Shanklin said we are in the entertainment business.

Baxter said he supports the youth of the city and this is one way the Council can help do that; soccer is a very popular sport and he urged support of this item. He said 10 million gallons is a lot of water but a 38 field soccer complex is a one of a kind deal for the City and we need to do it if we have the chance.

Bass said everyone on the Council supports soccer and the youth but how much does 10 million gallons of water calculate in money. He said the money is shown as \$4,801 and asked if that was counting water. Shahan said no. Bass asked how much is the total and said it is a case of Council being given only a little piece of the cheese at a time as Shanklin has previously spoke about. Mayor Powell said the water would equate to about \$21,000 based on \$2.10 per thousand.

Bass asked if that is cutting it close, will it be enough or could it go to 11 million or maybe \$23,000 a year. Shahan said that is where our recommendation is if you put a cap on it at 10 million would be able to take care of the 22 weeks of watering the soccer fields.

Shanklin asked if the City crews would do the watering. Mayor Powell said no. Shanklin said at Lawton High and Eisenhower High football fields they want to water during the day time and they should be watered at night to prevent evaporation. Baxter said it creates mold to water at night.

Mayor Powell asked if Shahan was making a recommendation to have a cap of 10 million gallons annually. Shahan said yes. Mayor Powell asked if that was per calendar year. Shahan said that is correct. Mayor Powell asked if Council wanted that as part of the motion. Shanklin asked that the 10 million gallon cap be added to the motion. Baxter agreed as the second.

VOTE ON MOTION AS AMENDED: AYE: Baxter, Bass, Hanna, Devine, Ewing-Holmstrom, Shanklin, Haywood.
NAY: None. MOTION CARRIED.

Ewing-Holmstrom said the soccer fields in Norman are fabulous and attendees were there from as far away as Dallas attending a united soccer tournament. She said revenue was generated for Norman by virtue of out of town visitors attending the tournament and spending the night, shopping and so forth. Mayor Powell said this is a big project for a certain individual in town and it should eliminate some other problems.

25. Receive information as to the EPA guidelines that are being enforced and how they relate to the portion of the existing filter plant that is being torn down. Exhibits: None.

Jerry Ihler, Public Works Director, said in August 1998 we were considering funding sources for the proposed 2000 CIP; during discussion we indicated to Council the staff concerns regarding the age and condition of the south plant filters at Medicine Park. Staff also indicated the south plant filters would likely not meet the future Safe Drinking Water Act regulations that were in the process of being promulgated and becoming law with EPA and DEQ. After that meeting, Shanklin had concerns about staff comments on the Safe Drinking Water Act and Mayor Powell asked that staff contact DEQ and ask them to provide something in writing pertaining to those standards. On November 6, 1998, DEQ sent a letter discussing the Safe Drinking Water Act and some of the changes that were part of those regulations. It talked about "long term plans should be considered in setting aggressive water quality goals to provide the customers a high quality water that not only meets but exceeds regulatory requirements". The purpose for that is that the plant being built was projected to have a useful life of 50 years so we want to do the most stringent standards we know will be in effect within the next few years that we are aware of.

Ihler said Shanklin's question, as he understood the item, was what items does the south plant not meet. Shanklin said he did not question that; his only question was when are these guidelines going to be enforced and he had asked that for three or four years; when will they be enforced, when will drinking water from wells be null and void which they were told would happen, when will that happen.

Ihler asked to continue with the letter and stated it addresses the regulations that DEQ indicated would be going into effect in the very near future. He said from the letter received, which was being shown on the view graph,

these are the standards we decided to build the Medicine Park plant to meet. As far as when they are in effect, as shown in the letter, each of the items and regulatory items they identified, it gives a date on when they feel they will be promulgated and when they will become law. Ihler said from that time, we design the plant, Council approved the plans and specifications and authorized staff to bid. Council approved the construction contract and the contractor is now under construction. Ihler said at the last Council meeting, Shanklin had for an item to address when those regulations would be in effect so we sent the same letter to DEQ and said we have an individual who wants to know when these regulations are going into effect, have they gone into effect, and the feedback we were provided, they looked at the same letter showing the regulations and indicated by each and every one whether they were already in effect and dates when others would be in effect, and these are the standards we designed to. Ihler said it shows Item B will be in effect in January 2005; Item C is still under proposal; Item 3, stage one is in effect and stage two is under proposal. He said that was the answer Council was provided at the last meeting, and Baker had asked Ihler to see if DEQ could send a representative to address any further questions. Ihler said since the issues appears not to be which regulations but when they are going into effect, he would defer that to Mr. Robert Mullins, the water regulation engineer at DEQ, who is present tonight.

Ihler presented a slide of the latest update from the American Waterworks Association as it relates to stage two; information was received from the Association discussing the 2002 to 2004 regulatory schedule. He said the two that effect the south plant are those dealing with THM's which was discussed at the last meeting by Mr. Fleming from CH2M Hill, as well as the .01 NTU as it relates to pathogens and viruses. Those show to be some time in 2004 and that was the projection in September 2002; in talking with Mr. Mullins, they will be moved out further but he can clarify the future regulations related to the south plant at Medicine Park. Ihler distributed a handout from DEQ which Mullins had provided.

Robert Mullins, DEQ Public Water Supply Engineering Supervisor, said a DEQ fact sheet was being distributed which explained the area wide optimization program. It started in Oklahoma in 1998 when DEQ was approached by EPA Region Six to participate in a pilot program to optimize the performance of surface water treatment plants. DEQ has adopted the goals for settled water turbidity to be 2.0 NTU 95% of the time and then for the filtration would be 0.1 NTU 95% of the time. To go from .3 NTU to .1 NTU, EPA's research shows that will give you an extra one log reduction of cryptosporidium which basically means instead of getting 99% out, you will get 99.9% out; then we went with the backwash recovery and other goals. On the long term surface water treatment rule, EPA's latest proposal is to have a proposed rule by the end of 2003 and they intend for it to go final some time in 2004.

Mullins said of the 12 states that have participated in this program, every plant EPA has gone to trying to get to .1 that was designed according to standards has been able to get there. He said when the first regulation came out that went into effect January 2002, the original intention was to shoot for the .1 NTU and because of comments from industry that they did not think they could there, they settled on the .3. After the three-year pilot program, they are convinced you can get there. No one at EPA has put out a draft document saying .1 but it appears that is where it is going. Mullins said the back page shows what they do in comprehensive performance evaluations at water treatment plants, along with a picture showing a multiple barrier concept, and showing they had adopted the .1 NTU as the goal because of the increased health protection. He said the surface water treatment rules mainly came about due to the Milwaukee incident when 400,000 people got sick and 87 people died.

Shanklin asked if surface water was different from well water. Mullins said yes. Shanklin asked if well water might never be effected by anything done by EPA or DEQ. Mullins said the new ground water rules draft may be out in April; it is handled now on the premise of "innocent until proven guilty" so they wait for bad samples and then force chlorination. The new rule will be you are guilty until you prove yourself to be innocent, so extra testing must be done every quarter to prove the water is safe and then continue to not disinfect, but basically it will require disinfection unless you can prove over time that you do not need it. The cost to prove that fact quarterly will likely cause most systems to go to chlorination.

Mullins said he believed that would be the only change in the ground water rule; most will start chlorinating rather than going through the engineering reports to prove they do not need to. Shanklin asked how a well water supplier chlorinates the water supply. Mullins said they can use gas chlorine, many from 55 gallons drums and injector; if it is a larger system, they will mix the gas in with the water.

Shanklin said he brought this back and he will never mention it again until the first election when this comes up, but Fleming was here and we talked about outside water sales and he acted like he had never heard anything about it but he had minutes from Mr. Williams that says "more and more people are asking to buy water from Lawton which expands the opportunity for outside water sales". He said in August 1998, Mr. Purcell, Mr. Warren and himself all thought they were going to sell water to those who used well water and they were led to believe those would be obsolete and gone. Shanklin said Baker went to OML and learned that Yukon says they only have four of ten wells that would meet a criteria, and he had not been able to reach the Mayor in Elgin who would know about well water because that is what they use.

Mullins said in Yukon, their concern is the arsenic level that is coming out because the current level is 50 parts per billion and it will go down to ten, and their wells range between 30 and 40, so they will be significantly hit by the

arsenic rule when it hits them in January 1, 2006. Shanklin said we really do not know about the well water that is surrounding us then. Shanklin said his point was, we are going to build a 10 million gallon plant, and we need five million of it on track by 2007 and that just leaves five million to go from then to 2025, which is 18 years, and he did not think that was enough the other night, we should have went for the 16, Council, was what he was trying to prove. He said there will be 40 mgd produced at Medicine Park and they will get 10 mgd more from the Southeast Plant, and Fleming said we would have to have it by 2007 and that 5 mgd would last them for 18 years and asked if anyone believed that.

Shanklin said July 19, 1988 there was a bond issue for \$33 million to build a 20 mgd plant on SE Coombs Road, it got defeated and he helped defeat that, but it was imperative that we put that on line in five years. He said we fast-tracked the engineering that cost us \$1.8 million and never used the plans and did not know if they are still usable of it DEQ ever got to look at them. Ihler said yes, DEQ did look at them. Ihler said he thought they were probably approved by DEQ. Shanklin said he meant instead of spending another million dollars. Ihler said as we have told you on many occasions, because of the change in technology from 1987 to 2002 or 2003, those plans are not something we could use. Shanklin said if that bond issue would have passed, we would have had water that ten years later would not have been any good, the plant would not be up to snuff because it did not have the technology. Ihler said that was not correct, we would have had to spend some money to make some modifications.

Shanklin asked if Ihler thought we needed the 16 mgd plant instead of the 10 mgd. Ihler said based on the projected demand, 10 mgd will get you to the year 2025.

Baker said he talked to the City Manager in Yukon and he told him that because of the arsenic standard that out of their 18 wells, they thought they were only going to be able to use four of them. He said Norman is also very concerned about their wells, and the people who depend on water wells may not be able to depend on them in the future due to things such as arsenic.

26. Consider approving an amendment to the Agreement between the City of Lawton and Lawton-Fort Sill Habitat for Humanity, Inc. dated September 24, 2002. Exhibits: Amendment.

Ed Alexander, Housing and Community Development, said this was a conditional contract based on release of funds from HUD and that release has not yet been received. Certain requirements in the contract must be completed by a certain date and one date was December 31, 2002; contract is being extended for six months to allow Habitat for Humanity to complete the project probably in February or March.

Ewing-Holmstrom asked why it had not been completed. Alexander said the contract was to demolish a property at 1712 SW B Avenue and they asked the City for funds for the demolition; funds cannot be released until a release of funds is received from HUD based on completion of the environmental review process; the delay was on our end. Alexander said the previous department director did these reviews and no one else in the department had received training in that regard, but it will be done shortly.

MOVED by Bass, SECOND by Baxter, to approve the contract amendment. AYE: Bass, Hanna, Devine, Ewing-Holmstrom, Shanklin, Haywood, Baxter. NAY: None. MOTION CARRIED.

BUSINESS ITEM:

1. Consider accepting the 12-inch waterline located along SW 11th Street to serve the City of Geronimo, escrow agreement in lieu of completed improvements, and maintenance bond. Exhibits: Location Map.

This item was stricken from consideration.

BUSINESS ITEM:

1. Consider waiving Council Rules of Procedure, Council Policy Section 5-E, and if waived, reconsider deleting funds for payment of custodial supervisors for youth basketball practice. Exhibits: List of Parks and Recreation Department operating accounts budget cuts.

Hanna said \$85,000 had been deleted from the Parks & Recreation budget but Council likely did not realize it was causing this problem for the youth basketball program. He asked that funding be restored so the youth can practice and it would also help keep them off the streets.

Mayor Powell said the Lawton Public Schools has a policy that when a building is open, they must have school personnel there in charge of it and they do have to pay them for being there. He said Council's action effectively killed the basketball program and unlike some people who have been here before that have said we need to get out of the youth business, he did not support that at all.

Haywood said he wanted to give them \$9,000 in addition to the \$17,000 that is recommended to be added back. He

asked if there were one or two officials and said two are needed.

MOVED by Hanna, SECOND by Baxter, to waive the Council Rules of Procedure. AYE: Hanna, Devine, Ewing-Holmstrom, Shanklin, Haywood, Baxter, Bass. NAY: None. MOTION CARRIED.

MOVED by Hanna, SECOND by Haywood, to put the full \$26,000 back in the Parks & Recreation Department budget.

Ewing-Holmstrom asked if the custodial supervisors are getting paid overtime to do this. Hanna said a lot of the schools close around 6 p.m. and a school employee has to be there for the building to be open so they usually have the custodian come back and receive overtime or pay a sweeper a flat fee of \$10 per hour. Ewing-Holmstrom asked if we are not paying overtime and Hanna said it is a flat fee.

Baxter said no one supports the youth more than he does and that he would vote for this. He said the gym supervisor is one in the same as the custodian that is working in the schools. Haywood disagreed. Baxter said not in all cases, but in some cases. Haywood agreed in some cases. Baxter said he had been to some of the practices and there is a custodian in there sweeping, getting paid by LPS, and there is also another person in there, sitting down reading a book while the practice is going on and the custodian is over there working and he is getting paid \$10 per hour by this city and he did not understand why the custodian cannot be the gym supervisor, one in the same person, why do we have to have two people there to baby-sit that gym when there is already one person there. Mayor Powell said he hoped that was not happening. Baxter said it is happening and he had seen it. Mayor Powell said the purpose of this, we have a lot of elementary schools that at 5 or 6 p.m. their day is complete, they get there early in the morning and at 6 p.m. they are gone, and now we are asking for the use of that gym for the kids and no one is there to open it up and this is to say we will pay a person to open it up. Baxter said he understood that and was saying that someone is double dipping. Ewing-Holmstrom said the problem Baxter described should be fixed. Shahan said he would provide a list and be sure they are not being paid by both for the same time.

VOTE ON MOTION: AYE: Bass, Hanna, Devine, Ewing-Holmstrom, Shanklin, Haywood, Baxter. NAY: None. MOTION CARRIED.

REPORTS: MAYOR/CITY COUNCIL/CITY MANAGER

Col. Puckett offered an invitation to the tree lighting ceremony on Thursday at Fort Sill McNair Hall.

Haywood said the volunteer health clinic gives away free medicine, gives free physicals, and the next is December 19 at the former Roosevelt School at 15th and "J". He said the first 40 people will be served.

Baxter wished Mayor Powell a happy birthday and said it was not fair that the Mayor got a cake and none of the Council did. Mayor Powell said he had shared the cake.

Shanklin said he knew the Mayor and Council were not into hiring or firing but they could at least be interested in knowing what goes on. He said he read where fire trainees put out a fire and he asked for their names and where they live. Shanklin said one employee has been there one month and he lives in Mustang, two from Apache, one from Cache, five from Lawton. He said there are five from Lawton, one from Cache, and the rest are from out of the county and he did not understand how that can be to tell me that a town with population of 1,500 can have two firemen qualify and a city of 80,000 such as Lawton can only get five. Shanklin said he had always known it was a closed shop and nepotism must be rampant but that is not indicative of the economic development we are after, we are trying to create jobs for our own people.

Ewing-Holmstrom asked Council to read carefully all of the information that was distributed about the furloughs and the memo from the Employee Advisory Committee. She said they really did not settle anything tonight as far as the budget goes and asked if we were not still in the hole. Mayor Powell said yes. Ewing-Holmstrom said we are still going to have to have everybody try to work together to save money.

Ewing-Holmstrom encouraged Council to visit Schoolhouse Slough and Robinson's Landing before it is addressed again.

Hanna said Council should have received invitations to attend the Central Junior High School opening on December 19 from 3 to 5 p.m. He said it is a huge facility and has a weight room upstairs.

Bass said he received a letter saying 38th Street cannot be done in February so it will have to be done in August because the plans were not ready. Baker said word was received that funds may be available early for the 38th Street Project, anticipating a February bid letting but there is no way we can be ready for that because of the right of way acquisition. Baker said ODOT might be able to slip it until July, and if we really fast track the right of way acquisition, we might be ready for a bid letting in July. Ihler said the original schedule was to have a bid letting in October 2003 but ODOT was able to obtain federal funds from other states that were not able to spend it so the

money came in early but staff had been working toward October 2003 and was not ready for February. Bass asked that efforts be made to be ready as soon as possible to take advantage of the funding and get the road in service for the residents. Vincent said their goal is to have all property acquired by April 25.

Devine said he would like for Baker to give a report on the motion that was made on the budget where we put \$1.50 on the utility bill, that fifty cents of that utility bill was to be put aside. He said he wondered how much money had been accumulated from that because it was not supposed to be used for anything and he was curious as to how much has accumulated by now.

Mitchell said a proposal had been turned in to OML to host the City Manager's conference in July, and hopefully we will have about 100 city managers and mayors here.

Smith said the next Council meeting will be December 17 and it will be the last meeting of the year.

Mayor Powell said the Habitat for Humanity is looking for volunteers and Bill Phelps at ARKLA or Patty Neuwirth can take your name.

BUSINESS ITEM:

27. Pursuant to Section 307B.4, Title 25, Oklahoma Statutes, consider convening in executive session to discuss the acquisition of right of way for the Flower Mound Road Project (Lee to Gore) and the lawsuit styled The City of Lawton vs. Conner, Case Number CJ-2002-879, in the District Court of Comanche County, and take appropriate action in open session, if necessary.

This item was stricken and was not considered. Executive session was not held.

There being no further business to consider, the meeting adjourned at 10:00 p.m. upon motion, second and roll call vote.